

## ABSTRACT OF THE DISCLOSURE

A system and method are disclosed for determining and applying a discount to a customer's transaction. The discount is of a progressive nature, wherein the value  
5 of a customer's discount increases if the customer meets the conditions associated with the discount. The system rewards more frequent or profitable customers with benefits such as larger increases in the discount or higher maximum discount than those awarded to less frequent or profitable customers. The discount is decreased or eliminated if the customer fails to meet the conditions associated with the  
10 discount.